

## **FISCAL NOTE**

### **HB 239 - SB 339**

April 4, 2007

**SUMMARY OF BILL:** Increases the state's share of funds generated by the BEP formula in the instructional positions component (from 65% to 75%) by increasing the state's share by 2% per year for the next five years, so that in FY11-12 and thereafter, the state's share of the funds generated by the BEP formula in the instructional positions component is 75%.

#### **ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures – \$32,400,000 FY07-08  
\$37,200,000 FY08-09**

**Decrease Local Govt. Expenditures - \$61,300,000 FY07-08  
\$60,800,000 FY08-09**

#### **Assumptions:**

- Local education agencies (LEAs) would receive additional state funding for education.
- According to the Department of Education, under this proposal, the impact on the state share is an incremental increase each year totaling \$223,649,999 after the fifth year of implementation.
- The impact on local government expenditures for the instructional positions component is an incremental decrease each year, totaling \$301,893,000 after the fifth year of implementation.
- These assumptions include hold harmless and stability provisions.

#### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible, and "W." in the middle.

James W. White, Executive Director